

A Partnership for Safe Chemical Weapons Destruction

Monthly Status Briefing

Blue Grass Chemical Agent-Destruction Pilot Plant



Project Background

A Partnership for Safe Chemical Weapons Destruction

- The Blue Grass Chemical Agent-Destruction Pilot Plant (BGCAPP) will safely destroy 523 tons of chemical agent in rockets and artillery projectiles stored at the Blue Grass Army Depot in Richmond, Kentucky.
- The technology selected by the Department of Defense to destroy the Blue Grass chemical weapons stockpile is neutralization followed by Super Critical Water Oxidation (SCWO).
- The Program Manager, Assembled Chemical Weapons Alternatives (ACWA), headquartered at Aberdeen Proving Ground, Maryland is responsible for managing all aspects of the safe and environmentally sound destruction of the chemical weapons stockpiles in both Kentucky and Colorado.
- The Bechtel Parsons Blue Grass Team, a joint venture of Bechtel National, Inc. and Parsons Infrastructure and Technology Group, along with teaming partners Washington Demilitarization Company, Battelle Memorial Institute, General Atomics and General Physics, is the systems contractor selected to design, build, systemize, pilot test, operate and close the BGCAPP.



Current Project Staffing

A Partnership for Safe Chemical Weapons Destruction

- Bechtel Parsons Blue Grass Team currently employs 418 personnel located as follows:
 - Richmond, KY: 66 (14 local hires)
 - Pasadena, CA; Pasco, WA; Columbus, OH and San Diego, CA:
 352
- Subcontractor construction workers on site: 16 24 each day
- As of 30 April 2007, BGCAPP employees have worked more than 1.94 Million job hours without a lost-time injury



Acquisitions for Construction

A Partnership for Safe Chemical Weapons Destruction

As of 30 April 2007:

- Total Awards- \$20,990,000
 - \$20,440,000 to Local Businesses (Madison & surrounding counties)



- \$58,000 to Kentucky Businesses outside the Local area
- \$492,000 to Businesses outside Kentucky
- 97.5% of Awards went to Kentucky Firms
 - 97.3% Local Spend (Madison & surrounding counties)
 - 2.7% Regional Spend (in KY, outside Local area)



Forecast Acquisitions for Construction

A Partnership for Safe Chemical Weapons Destruction

Forecast Awards (near term)*

- 138kV Main Substation and Poles
- Access Control Building Inspection Canopy
- Maintenance Building
- Personnel Support Building
- Badging Facility
- Various Construction Support Services
 - Construction trailers
 - Bulk supply of pipe and pipe fittings
 - Bulk supply of electrical conduit and fittings
 - Construction industry supplies
 - Structural steel
 - Construction equipment rentals
 - Construction tools

OPSEC Completed 9 May 2007

^{*}Contingent upon receipt of an authorizing Notice to Proceed from the Government to perform the work



Construction Update

A Partnership for Safe Chemical Weapons Destruction

Work in Process

Access road and earth work

- Concentrating on Concrete placements
- Contract currently 96% complete, performing punch list closeout work
- Completed asphalt placement

Perimeter Fencing

Total 99% complete – performing punch list closeout work

Roadway Concrete

- Water & sewer piping approx. 94% complete
- Concrete placement approx. 98% complete
- Total task approx. 81% complete

Roadway Electrical

- Grounding approx. 6.4% complete
- Total tasks approx. 20% complete







Current Construction

A Partnership for Safe Chemical Weapons Destruction



Placement of the final surface coat of asphalt on the Access Road.



Current Construction

A Partnership for Safe Chemical Weapons Destruction

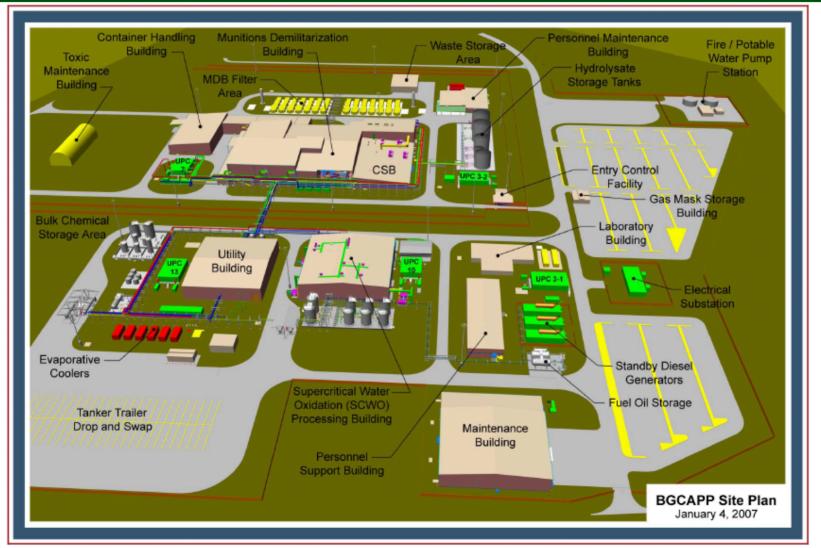


Placing finish gravel in the islands around the Access Control Building area



Blue Grass Chemical Agent-Destruction Pilot Plant

A Partnership for Safe Chemical Weapons Destruction



OPSEC Completed 9 May 2007